



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
12/468,922	05/20/2009	Christian A. Schlumbrecht	A08079US (98797.10)	1879

22920 7590 05/13/2015
GARVEY SMITH NEHRBASS & NORTH, LLC
LAKEWAY 3, SUITE 3290
3838 NORTH CAUSEWAY BLVD.
METAIRIE, LA 70002

EXAMINER

COLLINS, DOLORES R

ART UNIT	PAPER NUMBER
----------	--------------

3711

MAIL DATE	DELIVERY MODE
-----------	---------------

05/13/2015

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte CHRISTIAN A. SCHLUMBRECHT

Appeal 2012-012597
Application 12/468,922
Technology Center 3700

Before: JENNIFER D. BAHR, MICHAEL L. WOODS, and
JAMES J. MAYBERRY, *Administrative Patent Judges*.

MAYBERRY, *Administrative Patent Judge*.

DECISION ON REQUEST FOR REHEARING

STATEMENT OF THE CASE

Christian A. Schlumbrecht (Appellant), on April 23, 2015, filed a Request for Rehearing (“Request”) under 37 C.F.R. § 41.52(a)(1) in response to the Decision on Appeal 2012-012597 mailed February 26, 2015 (the “Decision”). In the Decision, the Patent Trial and Appeal Board (“Board”) affirmed the Examiner’s rejection of claims 1–20 as ineligible subject matter under 35 U.S.C. § 101.

We reconsider our Decision in light of Appellant’s Request, but we decline to modify the Decision.

ANALYSIS

To assess compliance with the requirement of 35 U.S.C. § 101, the Supreme Court has set forth “a framework for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts.” *Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347, 2355 (2014) (citing *Mayo Collaborative Servs. v. Prometheus Labs, Inc.*, 132 S. Ct. 1289, 1294 (2012)). According to the Supreme Court’s framework, we must first determine whether the claims at issue are directed to one of those concepts (i.e., laws of nature, natural phenomena, and abstract ideas). *Id.* If so, we then “consider the elements of each claim both individually and ‘as an ordered combination’ to determine whether the additional elements ‘transform the nature of the claim’ into a patent-eligible application.” *Id.* The Supreme Court characterizes the second step of the analysis as “a search for an ‘inventive concept’ -- i.e., an element or combination of elements that is ‘sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [ineligible concept] itself.’” *Id.*

Step 1 of the Alice test

Appellant first contends that the Board erred in determining that the claims under appeal are directed to an abstract idea, by improperly equating the claimed invention to the method of exchanging and resolving financial obligations discussed in *Alice*. Request 1–2. Appellant “submits that the claimed invention does not involve contractual relations and a general purpose computer as was relied on in *Alice*” nor is it “analogous to ‘exchanging and resolving financial obligations.’” *Id.* at 2. Appellant reasons that the claimed steps “cannot be mental steps or an abstract idea,”

because the steps “are tied to the claimed physical components of the Blackjack game” and “cannot be carried out by human alone.” *Id.*

Appellant’s argument is unpersuasive of Board error. The Decision does not *equate* the steps of Appellant’s claimed invention with the process at issue in *Alice*. Instead, the Decision states that a method covering a Blackjack game “is akin to the ‘method of exchanging financial obligations’ discussed in *Alice*.” Decision 4. As the Decision explains, “[t]he recited [Blackjack] rules tell the player and the dealer what to do in response to a particular event. These rules are similar to an instruction to follow a formula or an algorithm to conduct the game and resolve the parties’ financial obligations.” *Id.* For example, as Appellant describes in his Specification, a player places an ante wager, selecting either a “high” wager or “low” wager. Spec. 13:15–18; claim 1 (step (b)). This ante is akin to an initial financial investment, with a risk of losing the investment or making money with the investment. Then, the player and dealer are each dealt two cards and the game proceeds under the rules for the play mode selected—“high” game or “low” game. *Id.* at 14:7–10; claim 1 (step (e)). The outcome of the game depends on the relationship between the sum of the card values for the dealer’s hand and the player’s hand and the game mode chosen—that is, a formula that dictates whether the initial investment pays off or is lost. Depending on the outcome of the game, financial obligations are exchanged—either the dealer collects losing wagers or pays winning wagers. *Id.* at 14:23–15:1; claim 1 (step (g)). Accordingly, we agreed with the Examiner’s finding that the claims under appeal are directed to instructions to players to apply the abstract rules of playing a type of card game, and more specifically, wagering on that game. Decision 4; *see* Final Act. 2; Ans. 7.

Step 2 of the Alice test

Next, Appellant argues that the Board erred in finding the elements of the claims under appeal, taken individually and as a combination, merely recite necessary and conventional aspects of a card game under the second step of the *Alice* test. Request 2 (citing Decision 5). Appellant presents three separate arguments supporting his position: (1) that the claims are not subject to any prior art rejections; (2) that the claims recite physical elements; and (3) that prior Board decisions support a finding that the claims under appeal satisfy the requirements of 35 U.S.C. § 101. *Id.* at 2–4. We take each of these points in turn.

Argument 1: the claims are not subject to any prior art rejections

First, Appellant “points out” that the claims are not subject to prior art rejections, evidencing the novelty and nonobviousness of the claimed invention and cutting against the Board’s reasoning that the claims “are merely necessary and conventional aspects in playing a card game.” Request 2. Appellant appears to argue that, because the claimed subject matter is novel, the game cannot be “conventional.” We find this argument unpersuasive as it misapplies the law governing compliance with 35 U.S.C. § 101.

The Supreme Court has made clear that the analysis of whether claims satisfy the requirements of 35 U.S.C. § 101 is independent of whether those claims satisfy the other requirements for patentability under the patent statute—indeed, the § 101 analysis is a *threshold* inquiry. *See Bilski v. Kappos*, 561 U.S. 593, 594 (2010). In other words, whether the subject

matter of the claims under appeal are novel and non-obvious is immaterial to the § 101 inquiry.

More significantly, the Decision did not determine that the steps of the claimed invention were “conventional” in the sense that they are not novel or are obvious. Instead, the test under *Alice* is whether the elements of the claim, alone or in combination, amounts to significantly more than a patent upon the [ineligible concept] itself—in this case, the abstract rules of playing and wagering on a type of card game. *See Alice*, 134 S. Ct. at 2355. In other words, “[i]f, to implement the abstract concept”—play Blackjack under then claimed set of rules—“one *must* perform the additional step, or the step is a routine and conventional aspect of the abstract idea, then the step merely restates an element of the abstract idea, and thus does not further limit the abstract concept to a practical application.” *Ultramercial, Inc. v. Hulu, LLC*, 722 F.3d 1335, 1348 (Fed. Cir. 2013). The Board determined that the cards and game board are routine and conventional aspects of wagering and playing the abstract idea of the card game. *See* Decision 5–6. Appellant does not inform us that we misapprehended or overlooked the facts or law in reaching that determination.

Argument 2: the claims recite physical elements

Next, Appellant repeats the argument that the “physical game board . . . with a demarcated card area and . . . demarcated betting areas . . . and a physical deck of cards having . . . indicia” tie the claimed invention to a particular machine. Request 3. Appellant further argues that the claims require the physical steps of shuffling and dealing cards, placing wagers, and paying winning players and, as such, cannot be done by a human alone.

Id. at 2. That is, the claimed steps “cannot be mental steps or an abstract idea.” *Id.*

We are not persuaded that the Decision misapprehended or overlooked the facts or law in this regard. Appellant made the same argument in the Appeal Brief and those arguments were addressed. *See* Decision 5–6.

The Request cites to the Federal Circuit’s decision in *BuySAFE, Inc. v Google, Inc.*, 765 F.3d 1350 (Fed. Cir. 2014), as allegedly supporting Appellant’s second argument. *See* Request 3 (“Applicant respectfully submits that the claims are not directed solely to an abstract idea, as they also recite physical elements. The *Alice* test was further explained in *BuySAFE*.”). We determine that Appellant’s reliance on *BuySAFE* is unavailing.

To the extent that *BuySAFE* “further explain[s]” the *Alice* test, the Federal Circuit makes clear that implicit exclusions to § 101 established by the Supreme Court “also excludes the subject matter of certain claims that by their terms read on *a human-made physical thing* (‘machine, manufacture, or composition of matter’) or *a human-controlled series of physical acts* (‘process’) rather than laws of nature, natural phenomena, and abstract ideas.” *BuySAFE, Inc.*, 765 F.3d at 1353 (emphasis added). That is, a claim does not necessarily satisfy the requirements of § 101 even if it recites physical structures or physical acts.

As our Decision made clear, consistent with *BuySAFE*, any physical aspects of the claim must satisfy the second step in the *Alice* test. The physical aspects of Appellant’s claimed invention—the human-made physical things, such as the cards and game board, and the human-controlled series of physical acts, such as shuffling and dealing cards and placing and

Appeal 2012-012597
Application 12/468,922

resolving wagers, are not sufficient to ensure that the subject matter amounts to significantly more than a patent upon the abstract idea. *See* Decision 5–6.

Argument 3: prior Board decisions support a finding that the claims under appeal satisfy the requirements of 35 U.S.C. § 101

Finally, Appellant contends that “recently issued” Board decisions support a determination that the claims under appeal satisfy the requirements of § 101. Request 4. We find Appellant’s reliance on these non-precedential decisions unavailing.

None of the decisions discussed by Appellant, except for *Ex parte Poisson*, Appeal 2012-011084 (PTAB Feb. 27, 2015), were analyzed under *Alice* and these decisions are distinguishable for at least that reason. As to *Poisson*, the facts in that decision are readily distinguishable from the facts here. In *Poisson*, the Board reversed a rejection under 35 U.S.C. § 101 because the Examiner failed to make a finding that simulating a football game using a table and cards is an abstract idea. *Poisson* 5. In *Poisson*, the Examiner characterized the claims as rules for a *card game*, not rules for a *football game*. *Id.* at 4. The Board’s decision did not address the second step of the *Alice* test because the Examiner failed to provide an adequate finding under the first step of the test. *Id.* at 5. In the application under appeal here, the Examiner correctly finds that the claimed invention is directed to a new set of rules for a card game—an abstract idea. *See* Final Act. 5; Answer 7.

Tellingly, Appellant’s Request fails to identify a number of recent non-precedential Board decisions, analyzed under the *Alice* framework, consistent with the Decision. *See, e.g., Ex parte Moody*, Appeal 2012-001745 (PTAB Mar. 31, 2015) (finding a method covering new rules for a

Appeal 2012-012597
Application 12/468,922

poker game an abstract idea and a standard deck of cards supplemented with two additional cards insufficient to make the claims patent-eligible); *Ex parte Moody*, Appeal 2012-001746 (PTAB Mar. 31, 2015) (same); *Ex parte Peterson*, Appeal 2013-002891 (PTAB Mar. 19, 2015) (finding rules for a board game an abstract idea and the steps of providing a game board divided into a movement path and moving tokens along the path insufficient to make the claims patent-eligible); *Ex parte Wong*, Appeal 2012-011835 (PTAB Jan. 30, 2015) (finding that a new set of rules for a card game constitutes an abstract idea and that the recitations requiring a Chinese poker deck insufficient to make the claims patent-eligible); *Ex parte Moody*, Appeal 2012-011691 (PTAB Dec. 23, 2014) (finding new rules for a poker game an abstract idea as the game “is, effectively, a method of exchanging and resolving financial obligations based on probabilities created during the distribution of the cards” and the steps of dealing cards and providing a payout to winners insufficient to make the claims patent-eligible); *Ex parte Smith*, Appeal 2012-009925 (PTAB Dec. 4, 2014) (finding rules for a card game an abstract idea and the acts of “[s]huffling, dealing cards, wagering, and resolving wagers, . . . taken individually or as an ordered combination, are merely necessary and conventional steps in playing a wagering card game”); *Ex parte Smith*, Appeal 2012-006276 (PTAB Oct. 16, 2014) (finding method for a casino wagering game directed to an abstract idea and further finding “providing cards, dealing cards, viewing cards, rearranging cards, wagering based upon the presence of cards, and resolving the wagers and paying the winners based upon the hands of cards, . . . merely necessary and conventional steps in playing a card game”).

Accordingly, Appellant does not inform us of Board error.

Appeal 2012-012597
Application 12/468,922

For the forgoing reasons, Appellant fails to apprise us that any facts or law has been misapprehended or overlooked in rendering our original Decision.

DECISION

Appellant's Request has been granted to the extent that we have reconsidered the Decision in light of the arguments in the Request, but is denied with respect to our making any modification to the Decision. The Examiner's rejection remains affirmed.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv)(2009).

DENIED

pgc